

Legislative Council,

Wednesday, 7th December, 1932.

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The PRESIDENT took the Chair at 4.30 p.m., and read prayers.

BILL—MINING ACT AMENDMENT.

Report of Committee adopted.

BILL—ROCKINGHAM ROAD DISTRICT (LOAN RATE EXEMPTION).

Second Reading.

Debate resumed from the previous day.

HON. W. J. MANN (South-West) [4.35]: The exemption asked for in this case is fully deserved and was investigated before the Bill was brought forward. The work on which the loan money is to be expended in the Rockingham Road Board district cannot be said in any way to benefit the settlers on the Peel Estate. Most of them are living perhaps 10 miles from this proposed road, and since it was put into effect before they had opportunity to express any opinion as to the desirability of the loan, and they will have no opportunity to use the road in any way, I think the House may safely pass the Bill. As a rule one looks with suspicion on Bills of this nature, but I can assure members that in this case there is ample justification for the measure.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment and the report adopted.

BILL—ROADS CLOSURE.

Received from the Assembly and read a first time.

Second Reading.

THE CHIEF SECRETARY (Hon. C. F. Baxter—East) (4.40) in moving the second reading said: This is the usual Bill introduced each session for the purpose of closing roads that are no longer required for public convenience. The first provision relates to portion of "Parkway," Nedlands. This section is required to enable the Water Supply Department to erect a sewerage pumping station. It is intended to reserve and vest the land in the Minister for Water Supply. The Subincorp Municipal Council is agreeable to this proposal. The second item deals with the closure of portion of Havelock Street, Narrogin. This portion serves no particular purpose, and adjoining holders have requested its closure. There is no objection on the part of the local council and it is proposed, when the closure takes effect, to make the land available for sale to the adjoining holders. The third clause deals with a truncation at the corner of Eliot and Victoria Streets, Bunbury. The survey of this section was effected in accordance with the provisions of the Town Planning Act, and a 20 feet truncation was provided. It is now considered that this truncation is larger than is necessary and that a 10-feet truncation is all that is required. Consequently it is now proposed to close a width of 10 feet and throw it back into the title of the adjoining land. Clause 5 deals with the closure of Duff Street to the west of the West Perth railway station. The adjoining land was purchased by the Perth City Council for the purpose of widening Arthur Street. The council now propose to subdivide the balance of the land, and to that end it is desired that Duff Street, together with the right-of-way running through one of the lots closed, shall be handed over to provide for a proper subdivision. Clause 6 deals with a proposal to close portion of Daglish Street in the townsite of Narrogin. This street separates two hospital reserves, on one portion of which it is desired to erect an isolation hospital, which will encroach on the road in question. It is not advisable to have the hospitals separated by a public road, and the local authorities, having agreed to find portion of the money necessary for the building, concur in the closure of the portion of the street in question. The last matter referred to in the

Bill deals with the closure of a right-of-way at Leederville. All the lots affected are served by another right-of-way as well as having road frontages. This right-of-way in question affects the utilisation of one of the blocks for building purposes, so the city council agrees to its closure. I have pleasure in placing the explanatory lithos, in connection with each clause on the Table of the House for the information of members. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment, and the report adopted.

BILL—RESERVES.

Received from the Assembly and read a first time.

Second Reading.

THE CHIEF SECRETARY (Hon. C. F. Baxter—East [4.48] in moving the second reading said: This is practically an annual Bill to deal with rearrangement and re-vestment of reserves. This year there are six reserves to be dealt with. The first is a Class "A" reserve at West Subiaco, at present dedicated for a children's playground. It is now proposed to make it available as a general recreation ground. The second proposal deals with a block of land at Wagin, at present held in trust as a site for a Mechanics' Institute only. It is now proposed to re-vest it in the Crown for the purpose of transferring it to the Wagin Municipal Council on trust for Municipal purposes. The third proposal deals with a Class "A" recreation reserve at Cottesloe. This piece of land is considered to be too uneven for recreation purposes, and the local Road Board consider that they already have sufficient reserves to meet the requirements of the district. It is proposed, therefore, to cancel the dedication so that the land may be dealt with as Crown land and be set aside for sale as ordinary townsite blocks. The fourth item refers to a rifle range at Arncliffe. The rifle club has been disbanded, but the land is held in fee simple by the

trustees. It is now proposed to re-vest it in the Crown so that it may be transferred to the Commonwealth military authorities. There are several proposed alterations to King's Park reserve. The first deals with a piece of ground running parallel with the Perth-Fremantle road and near the University entrance to the Park. This was previously set aside as a road but was afterwards closed. It is still used by the public as a road, and it is now proposed to agree to its being re-opened. The next proposal deals with a small piece of land it is proposed to excise from King's Park Reserve. It is outside the University entrance and adjoins the Perth-Fremantle road. It is intended to reserve it for recreation purposes. For the widening of Mount's Bay road in the vicinity of the Swan Brewery it is proposed to excise a small portion of the Park. This has been agreed to by the King's Park Board, the City Council and the Lands Department. The work is being carried out by the Perth City Council and will not entail any Government expenditure. The Crown Law Department considered it advisable to ask the authority of Parliament to have this procedure ratified. A further clause is intended to excise the portion required for the widening of Mount's Bay Road. The final clause proposes to vest reserve A5574 in the South Perth Road Board under section 42 of the Land Act, 1898, so that the Board shall have power to lease the reserve for recreation purposes for any term not exceeding 21 years. Provision is made that any such lease shall reserve the right of free access to the public at all times and shall be subject to the approval of the Governor. I have pleasure in placing explanatory lithos in connection with each clause on the Table of the House for the information of members. I move—

That the Bill be now read a second time.

HON. SIR EDWARD WITTENOOM (North) [4.51]: It is perhaps rather late in the day to protest against the vandalism that has been committed along Mount's Bay-road. I have voiced my protest through the newspapers, and have always consistently objected. It was a wicked thing to interfere with this most beautiful thoroughfare, which should have been preserved as a private road for the people.

It is indeed one of the most beautiful spots in the world. It should have been reserved in the same way as King's Park has been reserved, and should never have been put to use as a commercial road. It should have been left as it was. Now it is being turned into a commercial road, when already there are two or three others which could well be used. From the bottom of Mill-street to the University is about three miles. It was an act of vandalism to turn this beautiful place into a commercial road. The Perth City Council have done all the damage they could to it, and spoil the look of it. I want it placed on record that I am strongly opposed to this road widening. I have known this spot all my life, and regard it as one of the most beautiful in the world. It should have been reserved for the people of the State in the same way as King's Park has been reserved.

HON. J. T. FRANKLIN (Metropolitan) [4.54]: I am sorry to hear the remarks of Sir Edward Wittenoom. When he realises what the Perth City Council are doing in conjunction with the Government, I am sure he will agree that both authorities are entitled to credit. Not only are we making a road for the benefit and safety of pedestrians and motor traffic, but we are also improving it so that the people of the city and surrounding districts will have an opportunity thoroughly to enjoy themselves along the river foreshore.

Hon. Sir Edward Wittenoom: You are making a commercial road of it.

Hon. J. T. FRANKLIN: It is a commercial road now, and no argument will alter that, unless an Act of Parliament is passed preventing it from being used for the transport of merchandise. Ever since Perth has been in existence, this has been the main artery to Fremantle. Whether the road is widened or not, it will still be a commercial road. It is not fair to ask people to transport merchandise an extra three miles, specially when such steep hills require to be negotiated along the other routes. I think the people will congratulate the Perth City Council for beautifying that portion of the city. The road at present is dangerous, and there have been many fatal accidents there.

Hon. Sir Edward Wittenoom: Due to bad driving.

Hon. J. T. FRANKLIN: I do not know whether they were due to bad driving or bad whiskey. It is a narrow road. The Government have laid tram lines there and monopolised the entire surface of the road. A tram car cannot get out of the way of a motor vehicle, and a motor vehicle often cannot get out of the way of a tram car. We have the support of the Government engineers and of the Government in this work. The idea of the city council is that the road, when finished, shall be 80ft. in width. I was very anxious to have it 100ft. wide. It is only a matter of excavating material from the hill and dumping it into the water in order to secure that extra width. When the Hon. A. McCallum was Minister for Works, he was in conference with the Perth City Council, and it was suggested that the road should be made 100ft. wide.

Hon. Sir Edward Wittenoom: Are you getting the money from the ratepayers?

Hon. J. T. FRANKLIN: We are getting it very easily from the rates. We have £9,000 on the Estimates this year to finish the road. The Perth City Council has always footed the Bill for the construction and maintenance of main roads in the municipality. We have received no money for main roads construction, although we have had a certain amount by way of traffic fees. When the road is finished it will be one of the safest in the State on account of its width. I support the Bill.

HON. V. HAMERSLEY (East) [4.58]: I notice that a portion of King's Park Reserve is to be set aside for recreation purposes. The Government also have designs upon a part of it for a hospital. I sometimes wonder if we are not gradually whittling away this beautiful park, large and all as it is. We honour those who had the foresight to set it apart as a permanent park for the people. It was never intended that these bits should be taken out of it from time to time, first of all for tennis clubs, then for cricket clubs and now I presume for University purposes. I should have thought the University had ample room at Crawley, but evidently more ground is required for pleasure. Surely other areas are available. King's Park should be left for the people. Every year some new scheme comes forward to reduce the original area of the reserve. It was intended that King's Park should remain for all time in its natural state. We know,

however, that trees have been demolished, and plots of grass have been laid down here and there with the result that instead of its being left in its natural state it will presently become entirely modern. I do not know the particulars of the proposal, but we cannot be too careful in guarding the special reserves that have been set aside for all time. King's Park has been in existence as a people's reserve for over 40 years, and we are continually finding that onslaughts are being made upon it, and if we go on in this way, perhaps in time to come there will be little left of it. I should like to know more about the proposal before we pass the Bill.

HON. J. NICHOLSON (Metropolitan) [5.4]: I do not think these particular lands—I should like the Chief Secretary to verify the fact—come within what we really recognise as the present boundaries of King's Park. For example, Clause 6 contains reference to certain land that may be proclaimed a public road in continuation of Park-road, subject to the provisions of the Municipal Corporations Act. My recollection of the matter is that a good many years ago that piece of land at the Crawley end of the park where there is a road running alongside King's Park leading to a number of houses, was included as part of King's Park, and the road had actually been closed because it was the intention at one time to carry on the opening of King's Park towards the main Fremantle road. That idea was abandoned, and in consequence that particular road was left open and it is now considered that for the convenience of those people who have erected houses in the vicinity, it should remain as a road. In addition, Park-road also provides a frontage to certain of the University buildings. It would be impossible, in the light of present-day circumstances, to actually close that road, and I should like the Chief Secretary to verify the statement that it is not intended to encroach within the boundaries of the area fenced in and used as King's Park.

Hon. J. J. Holmes: Is that the road that is closed and they now want to re-open?

Hon. J. NICHOLSON: It is open now and has been used all the time. It was found there were certain difficulties in closing it, people having built in the vicinity. The closing of the road would have meant that the residents would not have been

able to approach their homes by that road. In Clause 7, reference is made to another piece of land described as Perth Suburban Lot 490. I understand that it lies outside King's Park at the Crawley end, and it is proposed that this be excised. Really, the land has never been used by the King's Park Board, and in view of the fact that Park-road is not now likely to be closed, and as a fact has been used continuously, obviously Lot 490 which is separated from King's Park and would have provided a continuation of road from the present entrance to the park at Crawley to the main Fremantle road, apparently will not be necessary for King's Park. Clause 7 provides that that particular piece of land may be disposed of under Section 39 of the Land Act. That section gives wide powers for the creation of reserves. The land would be used for one or other of the particular purposes set out in Section 39 of the Land Act. I should like to have the Minister's assurance regarding the points I have raised.

Hon. J. M. MACFARLANE: I move—

That the debate be adjourned.

Motion put and negatived.

HON. J. M. DREW (Central) [5.10]: Very little information has been given regarding certain parts of the Bill. I have no objection whatever to the extension of roads that may be necessary, but I find that Clause 7 sets out that portion of Class A reserve 1720 (King's Park), being Perth Suburban Lot 490, containing 2 acres 3 roods 39 perches, shall be excised from such reserve to the intent that it may be disposed of under the provisions of that part of the Land Act quoted by Mr. Nicholson. It is intended to sell the land. I am not aware of the locality of this particular block, and the plan on the Bill gives no indication of its situation. When the late Sir Winthrop Hackett was a member of this Chamber, he would not permit a single perch to be excised from King's Park, and here we have a Bill brought down, and we are asked before we have had time to investigate the matter, to pass the second reading. Probably there are other clauses of the Bill that require to be examined. I have never previously witnessed an attempt to rush through with such expedition a Bill dealing with reserves.

HON. J. M. MACFARLANE (Metropolitan-Suburban) [5.13]: When it comes to excising any portion of land from King's Park I become alarmed, because I want always jealously to guard the retention of King's Park in its original size. Particularly was I concerned when I read the reply of the Minister for Health to a deputation that he was in favour of a part of King's Park being used for hospital purposes. Like other members, I have no information regarding the Bill we are discussing, and my desire in trying to get the adjournment of the debate was to obtain that information. I wish to look into the question so that I can feel sure I am doing the right thing by allowing the Bill to pass. I regret that the House has decided to go on with the Bill to-day, because it will prevent me from making those investigations I should have liked to carry out before giving my assent to the Bill being passed.

HON. H. SEDDON (North-East) [5.15]: The Minister would be well advised to postpone further consideration of the Bill until to-morrow. Among the provisions under Part III. of the Land Act is one for the use of land for sites for towns or residence or business areas. If the land is going to be used for residential purposes, I hope the House will strenuously oppose the proposal. I do not suppose that is the intention. Still, under Part III. of the Land Act, it is possible for the land to be so used. In the circumstances the Minister should afford members an opportunity to investigate the matter. Otherwise we may find ourselves in the position of having to oppose the second reading.

THE CHIEF SECRETARY (Hon. C. F. Baxter—East—in reply) [5.16]: I hope the House will not accuse me of attempting to rush the Bill through. Mr. Hamersley and Mr. Nicholson put up a query regarding the road to be reopened and regarding the small parcel of land. The reason why I suggested proceeding with the Bill was that I was convinced I could give those members an explanation that would satisfy them. After the second reading has been passed, I shall be quite prepared, if members require further information, to hold up the Committee stage until they secure it. The piece of roadway referred

to is right at the King's Park gates at the Crawley end. It is outside the park fence.

Hon. J. Nicholson: That is what I thought.

THE CHIEF SECRETARY: Mr. Nicholson is a member of the King's Park Board and he knows.

Hon. J. M. Macfarlane: It is at the end of the drive?

THE CHIEF SECRETARY: Yes, but outside the enclosure. It is not likely to be used by the King's Park Board.

Hon. J. Nicholson: It has never been fenced.

THE CHIEF SECRETARY: And is never likely to be. Though the park consists of a large area, I would not like to see any encroachment upon it. The road in question is being used by the people who occupy the residence there, and it would be inconvenient if the road were closed and they could not use it. It would be necessary to negotiate a very steep incline to reach the residence, whereas an easy run is provided. The road along the park fence is available for the use of pedestrians. The piece of land consisting of 2 acres, 3 roods, 39 perches extends from the park gates to the Perth-Fremantle road and is not fenced. I pointed out previously that a definite assurance had been given that the area being excised was to be made available for recreation purposes.

Hon. J. M. Macfarlane: I read in the newspaper that the hospital authorities wanted it.

THE CHIEF SECRETARY: I am speaking for the Government; the land is for recreation purposes.

Hon. J. Nicholson: The area would not be sufficient for hospital purposes. The hospital authorities wanted 30 or 50 acres.

Hon. J. M. Macfarlane: I had in mind a request made by a deputation to the Minister for Health the other day.

THE CHIEF SECRETARY: I do not know anything about that. No member need have any doubt regarding the piece of land in question.

Hon. G. W. Miles: It is the piece dealt with in Clause 7 of the Bill?

THE CHIEF SECRETARY: Yes.

Hon. J. J. Holmes: Why do you want to apply the provisions of Part III. of the Land Act?

The CHIEF SECRETARY: That is the part under which it would be reserved for recreation purposes. I do not think the King's Park Board are ever likely to require the land. They have enough to do to develop the area that has been enclosed, though not too much. They would not be likely to fence in the additional two acres because it would be useless to them. After the second reading has been passed, I shall be prepared to hold up the Committee stage to meet the convenience of members.

Question put and passed.

Bill read a second time.

BILL—COLLIE RECREATION AND PARK LANDS ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. W. J. MANN (South-West) [5.21]: This small Bill can be commended to the House. It has been adequately explained by the Minister in his second reading speech and is universally desired at Collie. Any inland town that is blessed with a fine sheet of clear running water in undulating country and fringed with native forest is to be envied. The people of Collie are in that happy position. The Bill passed by Parliament last session gave certain authority, but at present there is no authority to borrow or expend money, and this Bill merely proposes to give the municipality and the road board, if they so desire, that power. The safeguarding provision is that before anything can be done, the permission of the Minister must be secured. In my estimation, that is a wise precaution and it is one that the people of Collie feel is desirable. Already the reserve on the Minninup Pool has been greatly improved. Some money has been expended upon it, and it is the most popular picnic ground in the district. Being located quite close to the town, it is of inestimable benefit to the people, particularly in the summer time. With the knowledge that the people are determined to make it one of the beauty spots of the South-West, I commend the Bill to members.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment and the report adopted.

BILL—APPROPRIATION.

Second Reading.

Debate resumed from the previous day.

HON. E. ROSE (South-West) [5.27]: I wish to say a few words on the Appropriation Bill and particularly to reply to some of the statements made by Mr. Thomson. The Government should be commended for having provided money to give work to the unemployed in different parts of the State. More especially are they to be commended upon the works they have undertaken in the South-West. Last night Mr. Thomson criticised the Government for their action in spending so much money on drainage and irrigation work in the South-West. He said that the anticipated expenditure on the Collie drainage and irrigation scheme was £200,000, that last year £100,000 was provided for the purpose on the Loan Estimates, and this year two amounts each of £70,000 were being provided. He doubted whether a return commensurate with the outlay would be obtained. I should like to inform the hon. member that the work at Collie will be of a reproductive nature. If members were to travel through the country and see what is being done and realise the possibilities of the country, they would not speak in the strain adopted by Mr. Thomson last night. He also mentioned that an amount of £20,000 was being provided for the Bunbury harbour, and said that the previous expenditure on the Bunbury harbour had not given satisfactory results. Perhaps it has not: I agree that in years gone by some of the money was not spent to advantage. If, in the early stages of the Bunbury harbour, the intentions of the late C. Y. O'Connor had been carried out, we would now have a harbour equal to that at Albany or Fremantle. Members should take a wider view instead of confining their attention to their own districts.

Hon. A. Thomson: That is what I did.

Hon. E. ROSE: The hon. member was unfortunate in quoting Bunbury, because, in the past, there has been considerable con-

trovery and bitterness over the question of Bunbury robbing Albany of some of the shipping trade natural to the southern port. He could have quoted a number of other instances of money having been spent and not to advantage. I do not object to expenditure at Albany or Geraldton. A considerable amount has been spent at Geraldton and doubtless the people there deserve the expenditure. So do the people at Bunbury. When we recognise the increased production throughout the South West, every hon. member will agree that the expenditure on the Bunbury harbour is warranted. Mr. Thomson objected to the expenditure of about £250,000 on the harbour, but I think that if he will look at the plans that have been laid on the Table of the Legislative Assembly, he will agree that that expenditure will be warranted and that the work should be successful.

Hon. A. Thomson: I sincerely hope it will be.

Hon. E. ROSE: The reputation of the engineer in charge of the work will be at stake, and should it not prove successful I imagine he will quickly receive his walking ticket. That expenditure will not be wasted on the Bunbury harbour improvements. With reference to the increased timber and wheat trades through Bunbury, during my speech on the Address-in-Reply I mentioned the quantities that were exported from Bunbury for the year ended 30th June last. I pointed out that 48,131 loads of karri and jarrah, valued at £250,717 had been exported and that other exports included the following:—Wheat, 107,777 tons, valued at £565,829; coal (bunker) 6,256 tons, valued at £9,384; and general, including ship's stores, 969 tons, valued at £9,690. Hon. members will agree that that tonnage warrants the Government undertaking work in connection with the Bunbury harbour in order to encourage ships to berth there.

Hon. A. Thomson: I hope you do not suggest that I objected to that. It was merely the principle that I dealt with.

Hon. E. ROSE: It was unfortunate that the hon. member quoted Bunbury. As a resident of that port, and a strong advocate of the progress of the South-West, I had to correct the statements made by him.

The PRESIDENT: Order! There is so much conversation going on on the floor of the House, that it is difficult for me to hear the hon. member who is addressing the Chair.

Hon. E. ROSE: The imports at Bunbury during the same period as that respecting which I have already quoted particulars of exports, included the following:—General, 1,525 tons, valued at £15,250; crude sulphur, 2,916 tons, valued at £13,122; phosphatic rock, 18,746 tons, valued at £18,746. During that period the vessels entering the port totalled 84, comprising 49 steam, 34 motor and one sailing ship. The gross tonnage was 337,293 and the net tonnage 208,488, while the total cargo handled was 218,407 tons. In view of those particulars, I think Mr. Thomson will agree that the Government are fully warranted in authorising the expenditure of this money on harbour improvements at Bunbury. The timber export trade to South Africa is opening up again, largely due to the visit of the Chief Secretary about two years ago. Although primarily on a health trip, the Chief Secretary combined health with business and he visited the mines there. During his sojourn in South Africa he persuaded those concerned to use karri, with the result that nearly all the mines are now using karri for timbering underground instead of pine.

Hon. G. W. Miles: Did they not do that years before the Minister went there?

Hon. E. ROSE: No; they used pine. I have been told by the officers of the Forests Department that it was largely due to the visit of the Minister to South Africa that our karri is now used for mining purposes in that country. In view of the trade that is opening up, the export of timber from Bunbury will be considerably augmented. I understand the mills are working at much greater pressure than in the past. If that is so, the Minister deserves the thanks of the people for his efforts on behalf of our timber industry. The harbour at Bunbury is silting up rapidly and unless something is done, it will not be long before boats will not be able to berth alongside the jetty. If the plan that the Government have adopted for improving the harbour facilities is carried out, it will be of great advantage to the South-West. Money is being spent in directions that will, if possible provide work for the unem-

ployed. All the money allocated for harbour improvements at Bunbury will be spent on labour in the South-West; at any rate, very little of it will go elsewhere. In view of the unemployment that exists to-day, and, I am afraid, will continue for some time to come, the Government are quite justified in proceeding with the work that is contemplated. If members of this Chamber will travel slowly through the South-West—I should like Mr. Thomson to be one of them—they will appreciate the development that is taking place. They will note the newly established orchards that are growing up, and they will realise how rapidly the dairying industry is developing. That means that our ports must be opened up, particularly Bunbury, so that our fruit and perishable products can be conveyed to the port in a few hours and be promptly placed in cool storage and on the ships. I certainly think the Government are justified in spending this money on the Bunbury harbour improvements, and I hope they will continue to develop the country as they have done in the past. I support the second reading of the Bill.

HON. SIR EDWARD WITTENOOM (North) [5.37]: It seems superfluous to suggest any economies that could be effected in connection with the Estimates of revenue and expenditure, but, even at the risk of repetition, I shall have a few remarks to make on the Bill. On several occasions I have endeavoured to suggest various economies to the Government, but not one of them has been availed of. Evidently the suggested economies were not regarded as being of any use or else the Government were afraid to adopt them. I think there is a good deal in the latter suggestion. One economy I proposed was in regard to the unjustifiable expenditure on the University.

Hon. G. W. Miles: Hear, hear!

Hon. Sir EDWARD WITTENOOM: I understand that there is on the Estimates for the current financial year an item of £31,000, less 22½ per cent., to be paid to the University as usual. In times like the present, when finance is so difficult, what justification is there for paying so much of the taxpayers' money to a free university?

The Chief Secretary: You are reflecting upon Parliament.

Hon. Sir EDWARD WITTENOOM: The Minister can alter the position. The Government are quick enough to cancel anything that has to do with Crawley. I have not the slightest objection to the University as such, nor have I any objection to it being a free institution, so long as Hackett's money and not ours, is used. I certainly take exception to the use of the people's money in payments to a free University in these days of financial stress. The next economy I have advocated has been the suspension, at any rate for the time being, of our system of secondary education. I admit that is a drastic suggestion, but I note that the Estimates provide for £555,000 for educational purposes, and I consider that £200,000 provided for secondary education is quite unnecessary. It is unnecessary for the simple reason that we already have five splendid secondary schools that could absorb the pupils. The question has been asked: What can be done with the buildings if that suggestion be given effect to? My reply to that is that the Government could lease the buildings to the best teachers available and they should be allowed to charge fees similar to those levied by the private secondary schools. We could easily get over that difficulty and effect a saving of £200,000. But no! Either the Government do not like the proposal, or they have some good reason for not adopting it.

Hon. G. W. Miles: It might lose them some votes if they did.

Hon. Sir EDWARD WITTENOOM: Another of my suggestions was the abolition of the Arbitration Court, which costs us directly about £10,000 a year and what it costs indirectly, goodness only knows. I have no hesitation in saying that had there been no Arbitration Court in Western Australia, there would not have been half the unemployment that is apparent.

Hon. G. W. Miles: Hear, hear!

Hon. Sir EDWARD WITTENOOM: If employers had been in a position to make bargains without being influenced by the awards of the Arbitration Court, hundreds of men who are now unemployed would have been in positions. I do not say they would have been in receipt of high wages, but they would have been paid sufficient to maintain themselves instead of having to go on the dole. In those circumstances, the Arbitration Court has been a most harmful institution right from the beginning of its

operations. Since Mr. Justice Higgins advanced that wonderful theory of his that no bread was better than half a loaf—if a man could not get a big wage, it was better to be without — harm has been worked throughout the Commonwealth, and I have no hesitation in saying that the development of Australia has been retarded to a great extent as a result of Arbitration Court awards. If those awards had not been in existence, many more men would have been in work in the country areas and consequently people would not be concentrated as they are to-day in factories, shops and offices in the metropolitan area. I realise it is useless to talk about it. I do not suppose that even if we agreed to legislation along those lines, it would not prove acceptable to the Legislative Assembly. The system of arbitration has certainly not been of advantage to Western Australia. Let us consider the constitution of the court. The President is generally the umpire. The representative of the employees is one of the cleverest men we have in our midst. I have not heard him mention the word "employer" once. He is clever enough to always disagree with the representative of the employers and therefore the President is always certain to be in the position of an umpire. What does the President know of financial, commercial or industrial questions? He may be a competent lawyer. He probably is a first-class lawyer. I have never met him in my life, so I cannot speak personally on that point. His awards have, however, done harm in the past and I am afraid they will do a great deal of harm in the future. I have given this matter much attention. I have spoken on it before, and I make this protest now against what I call the monstrous result of efforts to effect economies which have ended in a deficit of £750,000. The next thing that ought to be abolished is the office of Agent General. What earthly use is an Agent General in London? I brought this up once before, and the Chief Secretary said that the Agent General did a lot of useful work, but he did not tell us what it was. I was Agent General at one time, but there were many things to be done in those days. We were then a sovereign State. We had to buy numerous engines, also rails and pipes. We had also to arrange loans, big ones, such as the loan for the Fremantle harbour and for the goldfields water

scheme. We also did something in the matter of immigration. To-day the Agent General cannot touch one of those things. I am not saying a word against our present Agent General. I know he does his best and that he is a worker. What does the Agent General's office cost? It will not take long to tell members. The Agent General is paid £1,550.

Hon. W. J. Mann: He is worth it to the State.

Hon. Sir EDWARD WITTENOOM: The hon. member can get up and prove that directly. The secretary receives £720. In addition, the upkeep of Savoy House costs £2,000. The office ought to be amalgamated with Australia House. If the office were in Australia House, the whole concern could be run by the secretary. If we paid the secretary £720 per annum and made him a house allowance of £388, a saving of £2,000 or £3,000 a year would be effected. He could do the work just as well as anybody else. The State cannot borrow money now, nor can it buy anything. There is no immigration. What can be done by the Agent General? Instead of the Government abolishing the position of Agent General, I hear there are two applicants for the position, one in this House and one in the other House. I understand that is only a rumour, but nevertheless I hope neither of them will get the position. There ought not to be another Agent General; we ought to save the money.

Hon. A. M. Clydesdale: Would the same remark apply to the Governor?

Hon. Sir EDWARD WITTENOOM: No; we ought to have a Governor from England.

Hon. J. Cornell: We ought to have an Agent General from Western Australia.

Hon. Sir EDWARD WITTENOOM: We ought to have a Governor from England, for the simple reason that he forms a connecting link between the State and the Old Country. Not only that, but he is a good ambassador for us. If we have an Australian in the position of Governor, the best man we can get, even myself, what weight would a recommendation from him to the Colonial Office carry? What do we find now? The Imperial Government have sent their own representative to Australia; they will not depend on the Governor General.

Hon. E. H. Gray: They pay for their own representative.

Hon. Sir EDWARD WITTENOOM: Who pays?

Hon. E. H. Gray: The Imperial Government.

Hon. Sir EDWARD WITTENOOM: As I say, a Governor from the Old Country is the link that binds us to the Homeland. What are we indebted to the Old Country for? Everything. We would be working for the Germans now were it not for the Old Country.

Hon. H. V. Piesse: Is not the Agent General a link, too?

Hon. Sir EDWARD WITTENOOM: No; what does he do?

Hon. H. V. Piesse: He helps the sale of our produce in London.

Hon. Sir EDWARD WITTENOOM: He is not a produce merchant.

Hon. E. H. Gray: He should be.

Hon. J. J. Holmes: Who is going to pay the bailiff when he is put in?

Hon. Sir EDWARD WITTENOOM: I do not intend to say anything more. Members know my views. The Government have not been economical enough. They have not faced the times. They were supposed to reduce the deficit until by now it was almost to have disappeared. Instead, we find the deficit is now £750,000, and yet they talk of economy. If a business house were to conduct its business in the same way as the Government have conducted theirs, the directors would not last five minutes.

Hon. L. B. Bolton: What is wrong with reducing the number of members of Parliament? That would be economy.

Hon. Sir EDWARD WITTENOOM: If you work for nothing, I will.

Members: Hear, hear!

Hon. Sir EDWARD WITTENOOM: The whole mischief is brought about owing to payment of members, and I do not hesitate to say so. However, as long as every man and woman over 21 years of age, whether educated or not, is given a vote, they must have a certain class of person to represent them. If you asked some of them whether Wittenoom would be any good to them, they would say, "No, what good would Wittenoom be to us? We want one of our own sort." When they get him, he has to be paid. That is what has brought about payment of members. I am in favour of payment of members to a certain extent.

Hon. L. B. Bolton: I will vote for the abolition of payment of members if you will introduce the Bill.

The PRESIDENT: Order!

Hon. Sir EDWARD WITTENOOM: I have nothing more to say. We all know what the position of the State is. It is no use our attempting to make any amendments to a money Bill. We may send all sorts of messages to another place, but what good will they do? If only this is properly reported, the public will know our views about the matter. Although I am a friend of the Government, and I would not vote for them to go out—I certainly would not vote for the other side to go in, and if members want to know the reasons I have got them here—

Hon. A. M. Clydesdale: Let us have them.

The PRESIDENT: Order!

Hon. Sir EDWARD WITTENOOM: Would I be in order in giving them?

The PRESIDENT: I think the hon. member has already given those reasons to the House.

Hon. Sir EDWARD WITTENOOM: I have them handy.

The PRESIDENT: Certainly the hon. member can give them again if he so wishes.

Hon. J. Cornell: The hon. member must have different sets of reasons.

Hon. A. M. Clydesdale: You have lost your reasons.

Hon. Sir EDWARD WITTENOOM: I have them here—

Statement showing extracts from the platform of the Western Australian Branch of the Australian Labour Party, and the organisation in progress to achieve its objectives.

Platform.

1. The socialisation of industry, production, distribution and exchange.

2. State basic wage to be declared on a unit of not less than a man, his wife, and two children, plus child endowment.

Hon. E. H. Gray: What is wrong with that?

Hon. Sir EDWARD WITTENOOM: I am merely telling you; you ought to know.

3. Maximum working week of not more than 44 hours.

4. Preference to unionists.

5. State fire, State life, State accident, State sickness and State unemployment insurance.

6. Departmental construction of public works by State and Federal Governments.

7. Nationalisation of banking and all principal industries, fair rents court, and control of prices of all commodities.

8. Adult suffrage for the Legislative Council with a view to its ultimate abolition.

Hon. E. H. H. Hall: That would be economy.

Hon. Sir EDWARD WITTENOOM: There is a little more information with regard to the expenditure of funds that may be interesting to members, but I will not read it. I must thank you, Sir, for allowing me so much latitude. I hope I have made my views clear: I have certainly tried to do so. Whether I have convinced all my hearers or not is another matter. At all events, I take great exception to what I call the extravagant manner in which the business of the State has been conducted, leaving us in the unfortunate position of having to pay £763,000 next year without knowing where on earth it is to come from. I shall support the second reading of the Bill.

On motion by Hon. W. H. Kitson, debate adjourned.

BILL—LOAN, £2,176,000.

Second Reading.

Debate resumed from the previous day.

HON. H. SEDDON (North-East) [5.57]: This Bill, like the Appropriation Bill, is one which this House cannot amend. We have the power, if we like to exercise it, of voting it down. The Bill throws an interesting side light on the way in which the Government, by their estimates, are keeping within the Premiers' Plan, because by making a series of comparisons of previous years with the present year, members can see just exactly how far the Government have succeeded. Unlike the last speaker, I do give the Government credit for having endeavoured in a determined manner to bring their expenditure down. Perhaps until just recently they have not taken all the steps they might have taken.

Hon. Sir Edward Wittenoom: I gave them credit for going as far as they dared.

Hon. H. SEDDON: Very good. Perhaps some of us may agree that they have not gone as far as they might have done with regard to raising revenue. Personally, I

do not think they would have been in their present position if they had tackled the question of revenue previously. The Premier has budgeted this year for a deficit of £763,000 odd. In the Bill, provision is made for short-term advances to meet expenditure pending the receipt of revenue. That item amounts to £1,073,000. So we are justified in saying that while the Government budgeted for a deficit of three-quarters of a million, they are in this Bill asking for authority to raise an amount providing a margin of safety of £310,000. The present year's deficit to the end of last month amounted to £966,000 in round figures, or about £200,000 above the estimated deficit for the complete year. So it looks as if we are going to find ourselves in a position similar to that in which we were last year, and that the Premier will have to revise his estimate, if he is not to exceed the limit he has made for himself. In support of that statement I may remind members that last year the Loan Bill provided for raising one and a quarter million pounds to finance expenditure pending receipt of revenue, and at the end of November of last year the deficit amounted to £1,178,000, while by the end of June it had risen to 1½ millions; so, taking a parallel with last year, we can see that although the deficit at the end of November or this year is less than it was last year, it is certainly above the estimate for the whole year. From those figures, and the experience of previous years, it appears to me it will be very difficult, if not impossible for us to overcome the losses we have already incurred, so as to finish within the estimate. It is true we have certain advantages this year which we had not last year, in that we have now imposed the emergency tax, which is estimated to bring in a considerable increase in revenue; but on the other hand the revenue we have received and are receiving from sources that were available last year does not seem to be showing signs of recovery. Whatever indications there may be of recovery in the commercial world, Government revenue will not be affected to any large extent until next year. As I say, going on the figures of previous years, we are led to think the Premier will have great difficulty in keeping within his estimated deficit of three-quarters of a million pounds. The Bill resembles that of last

year in that provision is made for the raising of money to finance the deficit. During the last two years we have been more frank than in earlier years, in that we now openly authorise the raising of money to finance our deficits.

Hon. J. J. Holmes: This is a condition imposed by the Loan Council.

Hon. H. SEDDON: Yes, so we have been told. To that extent I think the Government should receive credit. But while they are to be complimented on their frankness, I do not know that the Government policy regarding finance has improved to the extent we expected. There are still several defects in Government finance which need clearing up before we get on to lines that will inspire confidence in our financial policy. Last year I pointed out that legislation specially passed to control the funding of deficits had not been adhered to. We have on the statute-book to-day legislation providing that when deficits are funded there shall be arranged a sinking fund for the redemption, within 30 years, of the securities issued to finance the deficit. Also we have legislation which was arranged as the result of the Financial Agreement, and in that legislation there is provision that where deficits are funded, there shall be imposed a sinking fund of 4 per cent. to meet the deficits. Last year I moved an amendment that a sinking fund should be provided at the rate of 4 per cent. to meet that part of the Loan Bill dealing with deficits. The Chief Secretary in reply said there was no need for the sinking fund, and he read from the Financial Agreement the following section—

Notwithstanding anything contained in this Agreement, any State may use for temporary purposes any public moneys of the State which are available under the laws of the State, or may, subject to maximum limits (if any) decided upon by the Loan Council from time to time for interest, brokerage, discount, and other charges, borrow money for temporary purposes by way of overdraft, or fixed, special, or other deposit, and the provisions of this Agreement other than this paragraph shall not apply to such moneys.

The Minister contended that that section voided the proposal for the imposition of a sinking fund of 4 per cent. to meet the sum set aside to carry over the deficit, but I contend that the Minister put upon it an entirely wrong interpretation. Members know that the way in which money is advanced is by issuing Treasury bills, which

cannot be described as overdrafts or fixed, special, or other deposits. They are simply securities, just the same as any other Government security, and therefore I contend the provisions of the Financial Agreement should apply. I should like the Minister, before replying to the debate, to refer that point to the Crown Law Department, because it appears to me that provisions of the Financial Agreement are being evaded when we do not make arrangements for the creation of the 4 per cent. sinking fund. I appreciate the position of the Government, for it certainly would mean an increase of expenditure to the tune of £40,000 per annum to meet the raising of a million pounds, a very serious imposition to have cast on them. But there is the legislation, and it certainly seems it is being evaded, particularly in view of circumstances that have since arisen. Early in November arrangements were made for the floating of a loan of £8,000,000, and in the advertisements issued by the Federal authorities for the raising of this money it was pointed out that half of it was being raised for the purpose of financing public works, and the other half for financing Treasury bills which had been issued by the Commonwealth and State Governments. So by that loan we shall definitely fund £4,000,000 worth of Treasury bills for the Commonwealth and State Governments; and as the deficits have been financed by Treasury bills, it is a sound conclusion to say that we have thereby funded the deficits. I will not have it that any particular Treasury bill was issued for the purpose of financing the deficit, while another Treasury bill was issued for the carrying on of public works. So it appears to me there is a definite case for the imposition of the provisions of the Financial Agreement, prescribing the setting up of a sinking fund of 4 per cent. I am aware that to impose such a burden on the finances of the State would be to set up very great difficulty for the Government. But Mr. Holmes, when speaking on the Appropriation Bill yesterday, used figures which showed that we have imposed a very much greater burden in the amount of accumulated debt placed on the citizens of the State. If we are going simply to increase that burden by diverting to subsequent years the payments which should really be met in the year in which they are incurred, we are going to create a position that

sooner or later will bring about a grave crisis. As I have said, last year I moved an amendment to the Loan Bill to the effect that the provisions of the Financial Agreement should apply to the Bill to the extent of meeting the 4 per cent. sinking fund on the $1\frac{1}{4}$ million to be raised under that Bill. However, having drawn attention to the point, I withdrew the amendment. Now I again draw attention to the position, because it appears to me we are simply treading in the old track, and as we in the past evaded the provisions of our own legislation for establishing a sinking fund to meet temporary advances to cover deficits, so now we are evading the provisions of the Financial Agreement, which were directly imposed as penal clauses to force Governments to handle their revenue in such a way as to bring about a balance.

Hon. Sir Edward Wittenoom: What a success the goldfields water scheme has proved.

Hon. H. SEDDON: Yes, there was a sinking fund of 3 per cent. on that scheme; the highest sinking fund we ever had in this State. It most effectively met the payments on that scheme as they fell due. But to revert: That is one objection I have to the present method of Government financing; it is a method that, when investigated, cannot inspire confidence. We are endeavouring to reduce deficits by borrowing money to enable us to carry them on. When we do that we should at any rate show we are determined to live up to our own law. Another point arises here, namely, in regard to the figures quoted by Mr. Holmes, who pointed out yesterday that, according to the "Statistical Abstract," the State debt was £188 11s. 2d. per head of the population. But the hon. member's presentation of the case did not quite cover it, for not only is there the State debt of £188 11s. 2d. per head, but there is in addition £60 18s. per head on account of Federal debts; so we find that in Western Australia the total indebtedness per head of population is £249 10s.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. H. SEDDON: In dealing with the public debt, I should like in passing again to refer to the work accomplished by the present Government in reducing expenditure, and to refer to certain figures which have been prepared showing the loan expen-

diture and the deficit taken together, as representing the real loan expenditure of the State. Whilst in 1928 the loan expenditure added to the deficit totalled £4,700,000, in the year which has just closed the total of the two figures was £2,900,000. The Government have made a very great difference in the total amount of money that has been expended from loan, compared with the peak year of 1928. A reduction in expenditure on loan account of £1,800,000 is an achievement which, under present conditions, the Government have every reason to congratulate themselves upon. It shows the extent to which they have been endeavouring to reduce their expenditure. Had they complied with the conditions of the Financial Agreement they would have had to provide an additional amount of £40,000 to provide a 4 per cent. sinking fund on the difference. In view of the enormous leeway we have to make up, it would have been far better for the Government to have suggested an amendment to the Financial Agreement, or a suspension of those provisions until time improved, rather than leave those provisions in existence and ignore them. Before that I was working out the figures dealing with the indebtedness per head of the people of Western Australia. I am taking the figure from the Federal Budget, the table of public debt, and the figures contained in the "W.A. Statistical Abstract." The total indebtedness per head of population of this State is £249 10s. That is a tremendous burden to place upon the community. When we take the average family as a true basis and the income earner, who is the person responsible for meeting that amount, the total indebtedness per income earner is found to be in the vicinity of £1,000. That is indeed a tremendous load to carry. Much of our loan indebtedness is concerned in our public works and the assets which have been created from them. Could we but see the opportunity of once more placing our primary industries on a satisfactory basis, the load would be considerably lighter, because our public assets would be bearing their fair share in meeting the obligations of interest and sinking fund on that liability. I quote these figures because they indicate very serious state of affairs, so serious that one is justified in asking what excuse can be advanced for increasing that load of debt. Repeated reference has been made to the burden on the people of Australia as the

result of the loan indebtedness and particularly the burden of interest. Public men have said that the burden is too great to bear. Notwithstanding this we have only recently closed a further loan of £8,000,000. We have just been saying that our interest burden is too great to bear, and have completed a loan conversion which has reduced the interest burden to Western Australia by £350,000 per annum. Then we go upon the market and once more ask the people for £8,000,000, when we have just been saying we cannot bear our present rate of interest. I do not know how the two statements can be reconciled. The investor may well ask himself what confidence he can place in us. He could say, "You have just altered the basis upon which you are paying interest on old loans, and you are asking us to subscribe to a further loan to assist you in your difficulties, and yet you tell us these difficulties are too great a burden for you to carry."

Hon. J. Cornell: They did not subscribe.

Hon. H. SEDDON: The investor is placed in a peculiar position. One cannot wonder that there was so little public response to any loan which was floated by the Government of Australia. It would be interesting to get the figures dealing with the loan that has just closed, to see the extent to which subscriptions have come from private sources. I think it would be found that this money is really being put up by the banks and insurance companies. The number of private subscriptions can be regarded as negligible.

Hon. G. W. Miles: They number only about 4,000.

Hon. H. SEDDON: It is therefore evident that the banks and insurance companies were the subscribers to the loan. They felt that the load of Treasury bills had reached dangerous dimensions, and that it was necessary that the Treasury bills should be funded into longer-term loans. There is a disadvantage arising from that, namely that the moneys that have been deposited with the banks for safe keeping, because they are no longer employable in trade, will be locked up in the loan account securities, and will not be available when wanted for the recovery which we all hope is coming. In view of these circumstances, one wonders how we can be justified in our request for further

financial assistance. What is the alternative to borrowing? It is that we have to meet our obligations out of taxation, whether by direct means, or by increasing the charges for various public services. There are only these two alternatives, for we have to meet our expenditure out of taxation, or borrow money.

Hon. G. W. Miles: Or bring about further economies.

Hon. H. SEDDON: Innumerable economies have been embarked upon by the Government, and one wonders in what direction they can go on seriously interfering with the progress of the community. Heavy as the burden is and will be if we are to meet our responsibilities, I am inclined to think that taxation will be the lesser of the two evils. If we continue to drift as we are drifting to-day we shall really not be able to meet our responsibilities, and shall be forcing the people into harder circumstances than they are facing to-day. One or two items in the Loan Bill are worthy of attention. Apart from the provisions for meeting the revenue deficit, there is an item of £800,000 dealing with water supply. The Government have provided very wisely in arranging that so large a proportion of the money to be raised shall be expended in this direction, especially in the country. We cannot go too far in endeavouring to provide adequate water supplies in the country. They are a tremendous factor in increasing production on the farm, and a tremendous asset to the farmer.

Hon. J. Cornell: I do not think any of the £800,000 is for the country.

Hon. H. SEDDON: I think so.

Hon. G. W. Miles: The Goldfields Water Supply has some if it.

Hon. H. SEDDON: The Goldfields Water Supply has £90,000, and water supply in agricultural districts, including drainage and irrigation, has £500,000.

Hon. J. Cornell: That is in the South-West.

Hon. H. SEDDON: It is in the country. I wish to refer to the item "After providing so much money from loan in the direction of assisting in reforestation." During the last two sessions a certain amount of revenue that was earned by the Forests Department has been diverted to Consoli-

dated Revenue. Now the Government want to authorise the provision of a sum from loan money to finance reforestation. That is a practice in Government finance which is open to question. If it were restricted to forestry alone it would be bad enough. We know that the officers of the department have frequently pointed to the necessity for funds to carry out their reforestation plans, but money has been taken from them year after year. It is now proposed to assist the department by raising loan moneys, and take upon ourselves the burden of interest and sinking fund on those moneys until our forests can be brought to a profitable stage. The same practice is followed in regard to the Fremantle harbour works and other Government activities. The practice is one that should be revised if the State is to enjoy that confidence we are so anxious to ensure for it.

Hon. G. W. Miles: It ought to be cut out.

Hon. H. SEDDON: It is unsound. I should like to refer to the Second Schedule of the Bill. Some figures I have here should prove of interest to Mr. Holmes. The hon. member pointed out that we have authorised the raising of loans to carry out certain specific public works, and that afterwards the money has been spent in other directions, thus to a certain extent misleading the public. There cannot be a reappropriation of loan moneys from one purpose to another without the consent of Parliament. We must take the full responsibility for the diversion of those funds, because every year they are detailed in the Loan Bill, which provides the appropriation to which the hon. member refers. The Bill shows that we have taken a sum of £130,000 which was originally raised for the purpose of building the Kulja-Eastward railway, that we have taken £150,000, raised for the purpose of providing rails and fastenings and a further sum of £50,000 raised by loan in 1927 to provide water supplies for new lines. We have diverted that money from the purpose for which it was raised in the first instance in 1930 and money raised in 1927 we also re-appropriated for other purposes. We re-appropriate £39,000 to additions and improvements to open railways, £50,000 to the Bridgetown-Donnybrook extension and £60,000 to the Meekatharra-Wiluna

railway. I understand those railways have been completed. It appears to me that those re-appropriations are reimbursements to the Treasurer's Advance Account, in reality validations of the actions of the Government which operated in this way. No doubt the Minister will explain this when he replies. I have raised the point because I wish to draw the attention of members to the fact that while we do not specify in the prospectuses in connection with our loans that we are going to use the money for a specific purpose, we do mention in the Loan Bill that we are diverting the money and that that is done only by the sanction of Parliament. So we have to accept the whole responsibility. A little while ago we had a discussion with regard to the railway construction policy and there was very severe criticism in connection with the extension of our railways. In the Bill before us, we are authorising the expenditure of money for the purpose of railways, the construction of which has already been approved by Parliament. It will be interesting to know just exactly what the railways actually built have contributed towards the cost of their operations. There is another point on which I should like to direct the attention of the House. Last year when speaking on the Loan Bill, I referred to certain tables that had been placed before the House and stressed the table which sets out the loan expenditure each year. I compared that with a statement of loan assets. The first table, No. 9, set out the loan expenditure for 1932 as compared with the expenditure of previous years. Table 11 set out the valuation or the loan liability on certain public works. Last year I made a comparison between the statement for 1931 and the statement for 1930 and showed that there was a considerable discrepancy with regard to the amount appropriated under loan expenditure and the amount we took to credit in each of the items. In his reply the Minister said that the whole of my argument fell to the ground because the table for 1930 was headed "An approximate statement" and that for 1931 was the actual statement of Loan liability. I wish to make a comparison now between the tables for 1931 and the table for 1932. There are figures in these tables that require to be explained so that they may be

the 10 road boards that borrowed from the University, will the University have any conscience there? Would they get their interest at 6 per cent.? Of course they would. There are two other companies interested in the matter. I am the director of one, and Sir Edward Wittenoom is the director of another. We know of instances of estates handled by these institutions in which the rents have been reduced, but the rates have not been reduced. Money was borrowed from the University on rent-producing properties. While rents were reduced, the rates and taxes were imposed as in the past, and the University extracted the full amount of money due from widows and orphans, whom we desire to protect. I have not approached a single member of the House to ascertain whether or not he is for or against me with regard to the Bill. I rely on the case I can put before members, and upon the good sense and justice that has always permeated the House.

Member: No lobbying

Hon. J. J. HOLMES: I referred to Mr. Drew, Mr. Yelland and the Chief Secretary. Any misrepresentations that they made were not due to them. They have been wrongly advised, presumably by men who should know better, by men who are being paid to teach the rising generation what commercial morality is. Knowing those gentlemen, and knowing Mr. Drew for much longer than I have known the others—I do not reflect upon them for one moment—I know that Mr. Drew would not wilfully say or do anything that was not right.

Members: Hear, hear

Hon. J. J. HOLMES: It is regrettable that he should be so misinformed. I did think at one time that he felt he had a duty to perform and, having no case, he made out what case he could. I am satisfied in this instance that he was incorrectly advised. He claimed that he was a representative of the Government.

Hon. J. M. Drew: No.

Hon. J. J. HOLMES: I mean a representative of the Government on the Senate of the University. What a nice combination. No matter what happens, the University will have a friend in court from both political sides. That is a tribute to the University people who are clever except when it comes to matters of finance, and

they are not too clever then, because they have slipped. Or it may be that they became afraid when their consciences accused them. Mr. Drew said that if we cut down the vote and made the University fall into line with other institutions, they would merely have to go to the Government. I have a letter signed by Professor Whitfeld to the secretary of the Road Board Association, and the last paragraph reads—

The actual working income of the University itself is derived largely from the Government grant, and is hardly affected by the reduction.

Sir Edward Wittenoom will be interested in that sentence. He has argued from time to time on this matter, but the University appears to be well favoured by having one of the most prominent members of the Labour Party working on behalf of the Government. I find from the Estimates that a sum of £1,900 is provided for University exhibitions. I think the University people have made an exhibition of themselves. I hope to be able to demonstrate that before I have finished my remarks. At any rate, I do not see the necessity for £1,900 for University exhibitions. Let me take hon. members through the history of the controversy, and I will indicate how the University authorities have shifted their ground. The question was first of all raised, we have been told inadvertently, by the "West Australian" who asked whether or not the University was a State instrumentality. Furnishing a reply to that question, Mr. Parker, the accountant at the University, when writing to the Kununoppin-Trayning Road Board, said—

In order to ascertain its exact position, the University, acting in co-operation with one of its debtors, approached the Supreme Court and on the 11th November, 1931, Mr. Justice Dwyer gave judgment that the University is a State instrumentality, and is therefore not required to reduce its rate of interest under the Financial Emergency Act. The Senate on the 16th November, 1931, further decided that, in view of its position as a trustee, it could not go outside the wishes of Parliament as expressed in the Act, and therefore no general reduction of interest could be made. I shall be glad, therefore, if you will pay the interest due in full in accordance with the decision of the Senate.

The road board appealed to the Government. The complaint has been made that this legislation is retrospective. It was introduced on the 1st July of last year. We

was asked under what power they had acted. I should like to know whether the relief extended did not embarrass the financial position of the institution at the time it was granted. Now that it is suggested some reduction should be made, the trustees point to the difficulties that would arise. That would be a consideration if the trustees were pledged to utilise some of the money for bursaries, but the same position would have arisen formerly. I object to retrospective legislation. Any bargain made by the trustees should stand, but the trustees as lenders of money should be brought into line with other institutions, and having regard to the facts as presented to us, I feel inclined to support the Bill. The continuance Bill recently before us did not permit of our moving any amendments, but this Bill will be subject to amendment, and I am pleased to see that Mr. Seddon has given notice of suitable amendments which may be made if members are convinced that the many anomalies that arise with respect to Government employees on the goldfields should be rectified. Government employees complain bitterly of the treatment they are receiving. The Government may reply that financial conditions are such as to preclude them from meeting the requests. One thing they could do without any undue strain, however, is to restore to Government employees on the goldfields the railway passes formerly granted every second year. Government employees on the fields submit, and rightly so, that this concession is something that costs the Government very little. If the Government were prepared to meet them to that extent, they would earn the goodwill of many employees who have resided on the goldfields for years and who appreciate the value of a railway pass. In Committee we shall have an opportunity to stress that point. For the moment, I intend to support the second reading.

HON. J. J. HOLMES (North—in reply) [8.10]: The introduction of this Bill was forced upon me by a sense of justice. The points raised by some of the speakers create the impression in my mind that there has been more misrepresentation in regard to this measure than in regard to any other measure introduced into this Chamber since I have been a member. I qualify that remark to this extent—I am quite certain that the members who have spoken have been misinformed. Take the remarks of

Mr. Drew: He said that Parliament had specially exempted the University from the operation of the Act: I have searched "Hansard," and I cannot find anything to justify that statement.

Hon. J. M. Drew: In the definition of "State instrumentality."

Hon. J. J. HOLMES: The Chief Secretary, who presumably is advised by his officers and should have been in possession of proper advice, told us that the West Australian Newspaper Co. were the only people who would be granted relief, and that they had made no effort to establish their claim. I have before me papers dealing with the case that the West Australian Newspaper Co. took to a judge in Chambers, and the judge, interpreting the Act as he found it—that has nothing to do with the intention of Parliament—ruled that the University was a State instrumentality. Mr. Yelland, presumably advised by the University authorities—I believe he is in some way connected with the institution—told the House that one company would derive benefit from the passing of the Bill. I presume he referred to the West Australian Newspaper Co. Let me say that I am in no way interested in that newspaper. I do not hold a share; nor have the company approached me on the subject. When Mr. Yelland was speaking last night, I asked him to tell us about the land the University authorities had sold, and for which they were extracting 6 per cent. interest from the people who had bought it, though all other land vendors had had to come to heel. We have not heard anything about that. Mr. Yelland complained that I sought to amend Part VI. of the Act. Part VI. is the only part that needs amending, and that is the part which defines a State instrumentality. Evidently there are more brains at the University than in Parliament, because the authorities there have seen the hole in the fence and have crawled through. Now their consciences have accused them, and they are running away from their trust. Mr. Yelland did not tell the House that there were 10 road boards in the State who had borrowed money from the University trustees, and who had to pay the full rate of interest. When those road boards had their values reduced, they had to meet their liabilities as best they could. I read in the paper the other day that the Buckland Hill Road Board had £5,000 of rates outstanding, and could not collect them. If that is one of

There is no doubt that the gold-mining industry came to the rescue of Australia in her hour of distress 30 or 40 years ago, and the indications of increased production of gold in the future, owing to the better methods of mining, and the enhanced price of gold will play an important part in once again lifting, if not Australia, at least Western Australia out of her existing difficulties. For that reason I am sorry that more loan money was not set aside for mining, particularly for diamond drilling and the erection of batteries. We have the largest belt of auriferous country in the world, and it is worthy of all the assistance and development possible. If we directed more attention to the development of this belt of auriferous country, and carried out more extensive operations in the way of prospecting and rendering assistance to prospectors by erecting batteries in every district where there were possibilities of obtaining gold and treating it cheaply and quickly, we should in that way absorb a great number of the unemployed. Hundreds of men who are unemployed would be only too willing to go out and look for gold if there were facilities for handling and treating it. I repeat my regret at there not being more money set aside for that purpose, because there is nothing that would give us a better return, add more wealth to the country and absorb more unemployed, than assistance rendered to the mining industry. The enhanced price of gold and the improved methods of mining have made gold-mining more profitable. It is the duty of the Government to do all they can to find employment for the men who are out of work. That is just as much our duty as it is to balance our budgets. The unemployed have as much right to live as has anyone else, and it is not their fault that they are out of work. The vital consideration is to get the unemployed back to work. We shall never return to prosperity until our men are working once more. When they return to work, it will lighten the burden for all, because the more men that are working the greater will be the amount of money earned and the lighter will be the burden on the community generally. That is the point I wish particularly to stress.

On motion by the Chief Secretary, debate adjourned.

BILL—FINANCIAL EMERGENCY ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. E. H. HARRIS (North-East [8.1]: This is a very short Bill introduced by Mr. Holmes, but it is an interesting Bill. The inclusion of the University as a State instrumentality freed the institution from the economic visitation that has affected most institutions throughout the State. How many members realised that when we were passing the original measure, I do not know. I think the University would be about the only State instrumentality that would have any money to lend to the public. During the interesting debate on the Bill, it has been revealed that the University possesses money which is loaned out to the public, and that the interest rate in some instances has been reduced, though there was really no call on the part of the institution to reduce it. The facts as presented to us are that at this seat of learning the trustees deemed that they had a duty to perform by pointing out that they were not required to reduce their interest rates. From remarks made by Mr. Drew we learned that in some instances the interest rate had been reduced, and, in reply to an interjection, the hon. member stated candidly that he did not think the reducing of the rate had been a wise move. I should like to be informed why the University authorities have departed from the trust reposed in them. Was it that their consciences smote them when they realised that they were charging a higher rate? If, instead of reducing the rate in some instances, they had stood fast by the trust imposed upon them, they would have had an opportunity to point out unerringly that Parliament had invested them with authority under the Financial Emergency Act and had excluded them from the provisions of the Act as a State instrumentality. I submit it was their duty to point that out and stand by the decision. Mr. Drew told us that the University authorities had committed themselves to certain payments for bursaries, and that the passing of the Bill might create a serious financial position for the institution. That point was further emphasised last evening by Mr. Yelland, when he made an appeal on behalf of the University. He practically told us that the trustees had illegally granted relief in some instances. He

reconciled. In support of what I am contending may I submit this table?

COMPARISON LOAN EXPENDITURE, 1932, WITH VALUATION OF LOAN ASSETS AND INCREASE FROM 1931 TO 1932.					
Some Items.	Table 11—Loan Assets.		Increase during Year.	Table 9—Loan Expenditure during Year.	£
	1931.	1932.			
		£	£		
Railways	24,002,191	24,789,038	£ 187,747		137,108
Harbours and Rivers ...	5,741,520	5,830,252	88,726		77,576
Sewerage and Water Supply	8,307,363	8,813,755	506,392		527,875
Development of Agriculture	3,690,231	3,732,246	72,065		125,004
Assistance to Settlers ...	2,936,526	2,500,206	Dec. 346,230		Increase 70,516
Group Settlements ...	5,000,170	5,136,701	Inc. 40,021		Increase 67,513
Totals as given in returns ...	76,512,934	76,802,426	Inc. 370,492		Loan Ex- pend to 1,380,225

There should be some explanation of these differences. I regret that I cannot support the Bill. It is simply perpetuating a state of affairs which has landed this country in the serious position in which it finds itself and we shall only get into a worse position. I realise the efforts that have been made by the Government and I admit that there is a tremendous burden placed upon the Ministry by having to balance the Budget. Heavy as the burden is, however, it would be lightened in the future if the Government took upon themselves perhaps the severer task. I cannot see that further borrowing, especially borrowing and creating a public debt for which there are no assets, is going to be of any advantage to the country. This will only put us deeper in the mire.

Hon. J. CORNELL: We must borrow or starve

Hon. H. SEDDON: The whole question of employment and maintaining a fair standard of living in the future would have to be approached on lines different from those we are adopting at the present time. There is no reason at all why any of our

people should be starving. I am satisfied that it is a matter solely for readjustment. People can have suitable and adequate food and can go about suitably and adequately clothed. That problem unfortunately has not yet been attacked by the civilisations of the world. It will have to be attacked, otherwise we shall find a more serious menace facing us. There must be a readjustment of employment and a scaling down in different directions. We are spending too much money abroad in buying things that we could make for ourselves or that we could do without. Alternatively, we should try to establish an inter-Empire system of trading whereby we can help each other and reduce costs. These are questions that ought to be tackled by each country. The question of production must be balanced against consumption so that we may become more self-supporting. I cannot support the Bill.

HON. R. G. MOORE (North-East) [7.55]: I have no intention of delving into figures as Mr. Seddon has done, because I am afraid I would become confused long before I got to the end of them. I am not in favour of extravagant borrowing, yet it is essential that certain works should be carried out, and public utilities maintained. It is incumbent on the Government to go as far as possible to find work for the unemployed. In my opinion we will never return to a season of prosperity until we get our unemployed back to work. Putting men off work with the object of curtailing expenditure is not always wise economy. A good deal has been said about our per capita indebtedness. That debt must be carried by the people who are earning, and the more who are working or earning the lighter will become the load on the individual. Every avenue of labour should be explored to find reproductive work for those who now, through no fault of their own, are reduced to the verge of starvation. There seems to be something desperately wrong with the system, that there should be so much unemployment in a country like ours. Further economies will result in further unemployment and the cure may be worse than the disease. I am sorry that more money was not made available for the mining industry, as in this direction there is likely to be a greater response in the way of absorbing some of the unemployed, resulting in the production of greater wealth.

know what the legal fraternity are. They have been fighting over this ever since. It has only just now reached the stage at which people know where they are. On the 5th September last, the Road Board Association wrote to the Crown Law Department to know what the position was, and to ascertain whether it was intended that the University should be regarded as a State instrumentality. All the department despatched in reply was the following letter:—

I beg to acknowledge the receipt of your letter of the 5th instant re the Financial Emergency Act, which will be brought under the notice of the Attorney General.

The Government have side-tracked the issue for the last three months. They know a slip was made when the Financial Emergency Act was rushed through Parliament. We know how it was rushed through, and it is a wonder that there are not more slips to be found in its provisions. Perhaps it is to the credit of the University people that they have been clever enough to find this particular loophole. I am told by the road board authorities that individual members of the Government, when in the country districts, have told various road boards that it was never intended that the University should be a State instrumentality. I have searched through "Hansard" and I can find no reference to the University as a State instrumentality.

Hon. J. M. Drew: You read the definition of "State instrumentality."

Hon. J. J. HOLMES: It took a judge of the Supreme Court to decide what it was. I was once before the late Chief Justice, Sir Robert McMillan, who said that the position was governed by Section 143 of the Arbitration Act, from which there was no appeal. During the course of his remarks he said—

As for the wisdom of that section, it is not for me to express an opinion. I have to interpret the section as I find it.

The judge did not express any opinion, but merely interpreted the section as he found it. When the Financial Emergency Bill was before the Legislative Assembly, Messrs. Troy and Johnson had something to say with regard to the vote of £31,000 for the University, which was reduced by the statutory 22½ per cent. They claimed that no harm was being done but, to use Mr. Troy's own words, there was a lot of frill that could be

cut out, and still better results could be secured. However, throughout the discussion I cannot find any reference to this particular question having been raised and no opinion was expressed as to whether the University was or was not a State instrumentality. On the other hand, I have ascertained that Ministers have declared throughout the country areas that it was never intended that the University should be regarded as a State instrumentality. No reference to that fact is set out in the letter I read just now, nor is any reference made to the suggestion that the Senate was bound to carry out the expressed wishes of Parliament. We will leave the University at this stage. I have another letter, dated the 20th October. It was to a firm in Western Australia carrying on large business operations and owning two properties that adjoin. They borrowed money from the University at one rate of interest in respect to one building, and borrowed money from a private individual for the purposes of the adjoining building. The University Senate, as trustees, refused to make any reduction, but the individual who had lent money to the firm on account of the second property was forced to make a reduction under the provisions of the financial emergency legislation passed by Parliament. At first the University authorities refused to make any reduction, but on the 20th October they despatched a letter which included the following:—

With reference to your letter of the 7th October, and my reply of the 11th October, I have now to advise you that the University Senate at a meeting held on the 17th October, decided to make a voluntary reduction of interest on advances made by the University on lines similar to those set out in the financial emergency legislation of last year. The reduction in your case will be made retrospective to the 24th July so that the payment due on the 24th October may be made at the reduced rate.

On the 17th November the University wrote to the secretary of the Road Boards Association—

... The University has decided to reduce interest on all advances made by the University and on unpaid purchase money on endowment lands; the rates of reduction to be those set down by the financial emergency legislation for bodies other than State instrumentalities.

Hon. H. J. Yelland: That was after you introduced your Bill.

Hon. J. J. HOLMES: That action, the University said, was due to members of Parliament protesting. The University has nothing to do with members of Parliament; it must comply with the Act and live up to its trust. My opinion is that if the University continues to make these reductions, sooner or later someone will want to know why the reductions were made when, according to their interpretation, Parliament expressly instructed that they were not to be made. The letter continued—

Following on the decision of the Senate, notifications of the reduction were sent to all the ten road boards to whom advances had been made. Generally speaking, the reduction was made retrospective to the last quarter day. For your information I might state that the University Senate considered making a voluntary reduction last year, but it was thought that as the University is a private institution depending almost entirely upon the Government for funds, and as it had been specially exempted by Parliament from making the reduction, it was apparently the wish of Parliament that the University should not reduce its rates of interest. When, however, a few months ago it was ascertained that members of Parliament apparently thought the University should make the reduction, the Senate acted accordingly.

Hon. G. W. Miles: What is the date of that letter?

Hon. J. J. HOLMES: November 17th. The men in control of the University, men who are charged with the responsibility of teaching our youth what is right and what is wrong, seem to have floundered all over the place. They have departed from their trust and lent an ear to what some member of Parliament has said. The fact is that it was the Government of the day, or some individual members of the Government, who told those men that they were taking a point which Parliament never intended they should take. One of my objects in introducing the Bill is to clarify the position as far as those gentlemen are concerned and keep them on the right track. The road boards to whom the University has lent money are scattered all over the State. Kojonup is one, Kunnunoppin another, and there are others. The University has extracted up to date the full rate of interest from the boards, but it now proposes to make the reduction. Is it fair that a State instrumentality should single out one section of the community to whom it has lent money and sold land and allow that section a rebate of interest as from a certain date.

and also allow another section the same concession, while not allowing a further section any rebate at all? Is that what we should expect from men controlling an institution such as the University? The question has been asked: What will become of the students if we interfere with the revenue of the University? What are we educating all the students at the University for? I am responsible for the upbringing of an orphan, who has neither mother, father, brother nor sister. He is entitled to accumulated wealth and I was advised by the headmaster of the college he is attending to enter him for the legal profession. On making inquiries at the University, however, I was informed there were 123 law students there now. What are we going to do with them all? It is good money being wasted. The irony of the thing appears to be that if we do get a bright boy and educate him, some other State takes him away from us.

Hon. H. J. Yelland: Have we not taken bright boys from other universities?

Hon. J. J. HOLMES: We have. Some of them are in charge at our University. There are three parties concerned in this matter. First there is the "West Australian," for which I hold no brief at all; secondly, there are the 10 road boards, who must get justice because their revenue is disappearing and the University is insisting upon their paying the full rate of interest; and, thirdly, there are the widows and orphans who have to fulfil their obligations. Instead of their getting a reduction in interest on the money borrowed by them from the University, they are being penalised to the last penny, or were being penalised until some members of Parliament spoke about it. As I have said, those members of Parliament are individual members of the Government, who said to the University, "You are taking a point you should never have taken." Part VI. of the Act was framed by some of the cleverest men in Australia. It provides that the Government revenue is not to be reduced, but that their outgoings are to be reduced by 18, 20 and 22½ per cent. Nevertheless, the income of everybody else is to be reduced by 18, 20 and 22½ per cent. Members will see the position the University found itself in; it could take advantage of all the reductions provided by the Act, but, even in these times of depression, it could collect the full rate of interest from its borrowers. That is a

nice position for the University to place itself in, a position which, it says, was the express wish of Parliament. It was nothing of the kind. Another point: Unless we deal with this matter, what guarantee is there that the reduction in interest will continue? Suppose Mr. Drew, a member of Parliament, who says the University showed signs of weakness and that it should not have departed from its trust, goes along to-morrow and says, "You should not have run away from your trust." That is Parliament speaking again. The next move on the part of the University might be, in order to comply with the wishes of members of Parliament, to charge the full rate of interest again. We have to stop that and this is the only means of doing so. Mr. Kitson seemed surprised that the University had money to lend. It was a surprise to a good many, because the Government are financing this institution to the extent of £30,000 per annum. We have Labour members in another place saying there are too many frills about the University. Perhaps we shall be able to do away with some of them and get down to common sense. About three years ago, just on the top of the wave of prosperity, the gentlemen in control of the University, who are more far-seeing than most people, and who had some land to sell near Claremont, cut it up into $\frac{1}{4}$ -acre blocks and sold it. The land is near the show ground.

Hon. E. H. Gray: It is not all sold yet.

Hon. J. J. HOLMES: The bulk of it is sold. It was sold three years ago on five years' terms with interest at 6 per cent. It was sold for between £500 and £600 per acre.

Hon. E. H. Gray: It is in a good position.

Hon. J. J. HOLMES: Yes, there are hills and hollows on it. If one got a block on the top of a hill, that would be a good position.

Hon. E. H. Gray: It was good business.

Hon. J. J. HOLMES: The University collected the full rate of interest until recently, whereas other vendors of land have been forced to reduce their interest. We have heard about Land and Homes; I think we can now say, Land, Homes and University. I do not blame the University for being far-seeing enough to sell that land, but I do blame it for making the poor people who bought it pay the full rate of interest.

Hon. E. H. Gray: It would not be poor people who bought the land.

Hon. J. J. HOLMES: Yes, there are some poor people among the purchasers.

Hon. W. H. Kitson: Was it all sold at the same price?

Hon. J. J. HOLMES: No. I understand some blocks were sold for £100 and others up to £400 a block.

Hon. J. Cornell: Did not Parliament pass a Bill authorising the University to sell the land?

Hon. J. J. HOLMES: The average price received was between £500 and £600 an acre, and presumably the purchasers have been paying rates and taxes on the land ever since, as well as interest to the University. I am simply putting the case. It is for the House to say whether they will allow that to go on or not. I do not wish to be misunderstood. I repeat that the Government which introduced this Bill never intended that the University should be a State instrumentality. The Government have been asked to put that in black and white, but they have not replied to the communication yet. All the Minister said was that in view of the fact that the University had made a reduction, the hon. member should withdraw his Bill. I have no intention of withdrawing the Bill. I have not canvassed for a vote on it, nor am I going to; I have simply put up a case and am leaving it to members to decide upon. The Bill was drawn up by Dr. Stow, who told me it was all that was necessary if it was the wish of Parliament that the University should not be classed as a State instrumentality. In my opinion, there have been so many changes of front and so many definite statements to be run away from, that it is up to Parliament to do something to clarify the position.

Question put, and a division taken with the following result:—

Ayes	..	..	..	..	16
Noes	..	..	..	..	8

Majority for 8

AYES.

Hon. L. B. Eclton	Hon. G. W. Miles
Hon. J. Cornell	Hon. Sir C. Nathan
Hon. J. T. Franklin	Hon. H. V. Piesse
Hon. E. H. H. Hall	Hon. E. Rose
Hon. V. Hamersley	Hon. H. Seddon
Hon. E. H. Harris	Hon. Sir E. Wittenoom
Hon. J. J. Holmes	Hon. C. H. Wittenoom
Hon. W. J. Mann	Hon. J. M. Macfarlane
	(Teller.)

NOMS.

Hon. C. F. Baxter
Hon. J. M. Drew
Hon. E. H. Gray
Hon. W. H. Kilson

Hon. R. G. Moore
Hon. R. G. Moore
Hon. H. J. Yelland
Hon. G. Fraser
(Teller.)

Question thus passed.

Bill read a second time.

In Committee.

Hon. J. Cornell in the Chair; Hon. J. J. Holmes in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 5, Definition of State instrumentality:

Hon. J. M. DREW: Members must realise the purport of this clause, which is to compel the University to refund £4,700 which has been expended on bursaries and scholarships provided by the Hackett bequest in order that students of limited means might be able to continue their studies.

The CHAIRMAN: I understand an amendment is to be moved to do away with the retrospective aspect of the clause.

Hon. J. M. DREW: But the amendment has not been moved.

Hon. Sir CHARLES NATHAN: No, but I had intended to move an amendment on this very point. The clause as printed would fix a definite policy upon the University, which has expended money on scholarships and bursaries and which needs to reimburse itself. I propose to move an amendment that will do away with this retrospective position, and I think even Mr. Holmes might agree to that, because the money has been expended on those specific purposes by the University. I move an amendment—

That in line 3 the words "Part VI. of the said Act" be struck out and "this Act" be inserted in lieu.

Hon. J. M. DREW: I will support the amendment, but I wish to disabuse the public mind of the impression that Parliament has been deceived in regard to this matter. It was all discussed on the original Bill in Committee, when Mr. Nicholson moved an amendment to the interpretation of State instrumentalities. The whole question was then fully discussed.

Hon. SIR EDWARD WITTENOOM: I am not satisfied with the amendment. I know of some transactions in regard to which the interest charged and still be-

ing demanded is seven per cent. Under the amendment it could be demanded right up to the passing of the Bill.

The CHAIRMAN: The issue is very clear. The clause as printed would be retrospective to the passing of the parent Act in 1931, whereas under the amendment, the clause will operate only from the passing of the Bill.

Hon. J. J. HOLMES: Sir Charles Nathan said the clause as printed would affect bursaries. I am not concerned about that, because at the University we are educating a lot of young people for whom there will be no positions in this country of primary production. But I am concerned about widows and orphans from whom the University has been extracting money for the last 15 months. If we make this apply only from the passing of the Bill, we shall have road boards and other bodies complaining that they had to reduce their income from the passing of the original Act. That will only lead to further complications. It was never intended that the University should be a State instrumentality. For 15 months the authorities have collected revenue it was never intended they should collect.

Hon. SIR CHARLES NATHAN: I referred specifically to the money that has been paid out in the form of bursaries. Until the Act is amended the University remains a State instrumentality. The affairs of that institution have been administered to a large extent with full consideration of that fact. It should not be a State instrumentality as that is set out. Certain moneys have been spent in bursaries up till now with a full knowledge of the position, and this should not be allowed to continue. It would, however, be unfair to make retrospective any action that is taken.

Hon. J. M. DREW: Where are the widows and orphans who are paying 7 per cent?

Hon. J. J. Holmes: Where are your bursaries?

Hon. J. M. DREW: They should be specified. I am informed by the University authorities that there is only one body which has not had a reduction, and that is a big company. On the other hand, in October last, in connection with all their loans, the interest was reduced in accordance with the terms of the Financial Agreement.

Hon. J. J. HOLMES: I have had better support from members than I anticipated. If we make the Bill apply to the 1st July, that would give the authorities a 12 months' run at the full rate of interest.

Hon. Sir Edward Wittenoom: I would point out that on the Estimates of Revenue and Expenditure there is an item for University exhibitions of £1,900.

Hon. J. J. HOLMES: When we passed this legislation we passed it about this time of the year, and made it retrospective to the 10th July. If we make that amendment now, the University will have had a full run from the 1st July, 1931, to the 1st July, 1932. I should like to move an amendment to incorporate the date 10th July, 1932.

Hon. Sir Charles Nathan: In the circumstances I am prepared to withdraw my amendment.

Amendment, by leave, withdrawn.

Hon. J. J. HOLMES: I move an amendment—

That the words "commencement of Part VI. of the said Act" be struck out, and "as from the 1st day of July, 1932" be inserted in lieu.

Hon. W. H. KITSON: When does the University year end? We are now in the month of December. If the University year runs from the 1st January to the 31st December the authorities will have exhausted their funds for the year. I am sure Mr. Holmes does not wish to embarrass the University in any way.

Hon. H. J. YELLAND: On the day when this Bill is proclaimed an Act all salaries which have been reduced at the University will revert to the old figure, and a further 22½ per cent. will be added to the expenses of the institution.

The CHIEF SECRETARY: I was going to draw attention to that matter myself. Mr. Holmes would be well advised if he reported progress in order to ascertain what the position is.

Hon. J. J. HOLMES: Whatever else is struck out, we must leave in the reference to Part VI. I do not know when the University year ends, but I do know they have received during the interim £4,000 more than they should have had, by claiming to be a State instrumentality. The outgoings have been reduced, but for the full period of 12 months the University will have had

the full rate of interest on all their land, mortgages, and everything else. The institution should be in a unique position. Unless we leave in the reference to Part VI., the professors and staff will go back to the old salaries. In view of what has been said I will report progress.

Progress reported.

House adjourned at 9.16 p.m.

Legislative Assembly,

Wednesday, 7th December, 1932.

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The SPEAKER took the Chair at 4.30 p.m., and read prayers.

QUESTION—KALGOORLIE BATTERY.

Mr. MILLINGTON (for Hon. J. Cunningham) asked the Minister for Mines: 1, What was the cost to the Government of the public battery at Kalgoorlie when the plant was taken over? 2, What has been the cost of repairs to date? 3, What have been the treatment costs? 4, What has been the time taken to treat each parcel? 5, How many tons were treated to the 30th November?

The MINISTER FOR MINES replied: 1. £30 per week, providing 10,000 tons per year crushed, falling to £21 per week if only 7,000 tons or under crushed per year, with option of purchase at not more than £5,000 at end of five years. 2, £129 2s. 8d.